

December 8, 2014

TO: All Participants of the PPO Plan
FROM: Board of Trustees
RE: Summary of Material Modification/Hearing Aid Allowance Increase

We are pleased to announce that effective January 1, 2015 the maximum allowable charge relating to prescribing, fitting and/or the actual cost of a hearing aid for either ear dispensed by a Physician no more frequently than every three (3) years has been increased from \$1,000 to \$2,500 per hearing aid.

When determining the cost to a Covered Person for the purchase of a single hearing aid the amount to be paid by the Plan will depend on whether the calendar year deductible for the year of purchase has been satisfied. The following are examples of how a charge for \$2,250 for a hearing aid would be adjudicated:

1. The Covered Person has not satisfied their calendar year deductible:

Charge for hearing aid	\$2,250
Calendar Year Deductible	<u>- 250</u>
Amount subject to co-insurance	\$2,000
Co-insurance	<u>x 80%</u>
Plan pays	\$1,600
Covered Person pays	\$ 650

2. The Covered Person has satisfied their calendar year deductible:

Charge for hearing aid	\$2,250
Co-insurance	<u>x 80%</u>
Plan pays	\$1,800
Covered Person pays	\$ 450

If there are any questions please contact the Trust Office (x-702).

Thank you.

EN ESPAÑOL AL REVERSO.